

## Foreclosure

What are your rights as a tenant!

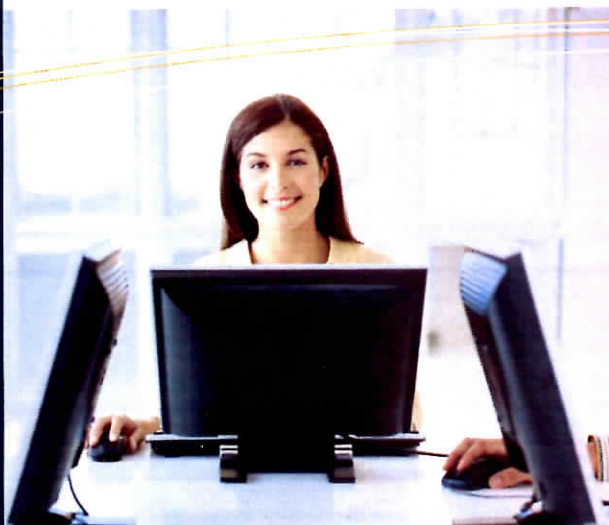
**What to do if you are a successor owner.**

On May 20, 2009 Public Law 111-22 was signed into law. It requires that new owners, who take possession of a property through foreclosure, also take possession of any existing Section 8 leases and Housing Assistance Payment (HAP) contracts attached to that property. This means that Section 8 Voucher holders have new rights regarding eviction from units that have been foreclosed upon.

The new person or corporation who owns residential property as a result of foreclosure must comply with the following:

1. Section 8 tenants that have a fixed lease term, such as one year, and the lease has not yet expired, have a right to remain in the unit and can not be evicted (except for good cause actions that apply to the lease) until the end of the term.
2. If a tenant's lease ends in less than 90 days, the new owner may not evict the tenant without giving a minimum of 90 days notice.
3. The new owner cannot legally evict a Section 8 tenant because he/her wants the property to be vacant. This is not considered good cause for terminating the tenancy.

There is one exception to the above rules; if the owner who acquired the property at foreclosure wants to occupy the unit as his primary residence, then the owner may provide the tenant with a 90 notice to the tenant to vacate the home.



### Ways to lose Section 8 Assistance

You can lose your section 8 assistance (called termination) for a number of reasons the most common reasons are:

- Failure to meet Family Obligations by
  - a. Not reporting income (in writing within 10 days).
  - b. Failure to attend regularly scheduled appointments to reexamine family income and composition.
  - c. Breach of Housing Quality Standards by failing to repair damages caused by you or your household member.
  - d. Failure to maintain tenant provided utilities.
  - e. Moving to another unit without properly notifying the Public Housing Authority (PHA) and landlord in writing.
  - f. Leave a unit while transferring to another with excessive damages beyond normal wear and tear.
  - g. Failure to be truthful about income and household composition.
  - h. Not paying your portion of the rent to your landlord.
  - i. Landlord initiated eviction, or a court ordered mutual termination.
  - j. Adding a family member or additional person to your household without prior approval from the Landlord and the PHA.
  - k. A family member must not commit fraud, bribery or any other corrupt or criminal act in connection to the program.
  - l. A family must not engage in drug related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety

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or right to peaceful enjoyment of other residents and persons residing in the immediate area.

**How will you know if the PHA is taking away your Section 8 Assistance?** If your assistance is being taken away by the PHA you will receive a 10 day notice of adverse action terminating your assistance. The notice will give you the proposed effective date of the termination, the reason for the termination and instructions on to how to appeal this decision through an Informal Hearing process. If you receive a 10 day notice of adverse action terminating your assistance and want to appeal the decision through the Informal Hearing process you must request an Informal Hearing within **10 business days in writing**.

**What happens at an Informal Hearing?** At the hearing, a Hearing Officer will act like a judge/arbitrator and will decide if the decision was made according to Section 8 regulations, the PHA's policies, and the law. The Hearing Officer will be someone who was not involved in making or approving the decision you are trying to change. Usually it is conducted by a special magistrate at City Court.

The PHA will present its case first and then you will present your case. The Hearing Officer will review your file and question you, the PHA staff, and any other witnesses. During the hearing you and the PHA will be able to present witnesses and evidence, make statements and cross examine witnesses. You also have the right to be represented by an attorney or any other person of your choosing at your own expense.





requires that you use an Electronic Fund Transfer (EFT) to receive HAP payment.

EFTs are direct deposit. Housing Assistance Payments (HAP) will be electronically transferred from the City's account to yours. EFTs are safer than the mail and check system as EFTs can not be stolen or lost. Utilizing EFTs will benefit you in that the HAP will be available to you sooner than the traditional method. If you choose to, you can view your account activity at the following website:

<http://cms3.tucsonaz.gov/vendorpay>

You can sign up for EFT

by contacting the City's finance department at

<http://www.cms3.tucsonaz.gov/finance>

or, by calling Elisa Gracia at 837-5322.

**Landlords, please note that all utilities must be on in order for the PHA to inspect your unit!**

**Utility Allowances Single Family/Patio/Manufactured Homes effective 1-1-13**

Bedroom Size	0	1	2	3	4	5	6
Type of Utility							
Electricity	15	21	26	31	39	45	48
Electric Heat	28	38	48	58	72	82	89
Electric Hot Water	13	18	23	28	35	39	43
Electric Cooking	4	6	7	9	11	13	14
Evaporative Cooling	7	10	13	16	20	23	26
Air Conditioning	17	23	30	37	47	53	60
Gas Heat	16	20	24	28	33	37	41
Gas Hot Water	7	9	10	12	14	16	17
Gas Cooking	3	3	4	4	5	6	6
Propane Heat	23	32	41	50	64	73	82
Propane Hot Water	10	14	18	22	27	31	35
Propane Cooking	4	5	7	8	10	12	13
Water/Sewer	51	63	78	94	133	160	186
Trash (City)	17	17	17	17	17	17	17
Trash (County)	20	20	20	20	20	20	20
Refrigerator	4	4	4	4	4	4	4
Range	3	3	3	3	3	3	3

**Utility Allowances Apartment/Condo/Townhouse/Duplex/Triplex effective 1-1-13**

Bedroom Size	0	1	2	3	4	5	6
Type of Utility							
Electricity	13	18	23	27	34	39	44
Electric Heat	25	33	42	51	63	72	81
Electric Hot Water	12	16	20	24	30	34	39
Electric Cooking	4	5	6	8	10	11	12
Evaporative Cooling	6	8	11	13	17	19	22
Air Conditioning	14	20	26	31	40	46	51
Gas Heat	16	19	23	27	33	36	40
Gas Hot Water	7	8	10	12	14	16	17
Gas Cooking	2	3	4	4	5	6	6
Propane Heat	23	32	41	50	64	73	82
Propane Hot Water	10	14	18	22	27	31	35
Propane Cooking	4	5	7	8	10	12	13
Water/Sewer	48	59	71	85	114	138	162
Trash (City)	17	17	17	17	17	17	17
Trash (County)	20	20	20	20	20	20	20
Refrigerator	4	4	4	4	4	4	4



Originally a legal term referring to the act of valuable property being taken into custody by an agent of the court and locked away for safekeeping, usually to prevent the property from being disposed of or abused before a dispute over its ownership can be resolved. But the term has been adapted by Congress in an effort to reform Congressional voting procedures so as to make the size of the Federal government's budget deficit a matter of conscious choice rather than simply the arithmetical outcome. When multiple appropriation bills passed separately by Congress provide for total government spending in excess of the limits Congress earlier laid down then an "automatic" form of spending cutback takes place. This automatic spending cut is what is called "sequestration. Under sequestration, an amount of money equal to the difference between the cap set in the Budget Resolution and the amount actually appropriated is "sequestered" by the Treasury and not handed over to the agencies to which it was originally appropriated by Congress.

The Budget Control Act was signed into law on August 2, 2012. This Act, Public Law 112-25, enabled the debt ceiling to be raised in order to prevent the U.S. from defaulting on its debt, created a select Congressional Committee on Deficit Reduction and a provision for sequestration in the event that the Select Committee could not agree on how to reduce the federal debt. Unfortunately, the select Congressional Committee could not agree on how to reduce the debt and sequestration is scheduled to take effect on January 1, 2013. This will directly effect the operation of the Section 8 program. The City's PHA anticipates a reduction in approximately \$2.7 million dollars on top of the reductions that the PHA has endured over the past five years.

To date, the PHA has been able to absorb past reductions by putting into effect cost saving measures, use of reserves and reductions in staff. But, the proposed reduction representing 8.2% of the entire agency's budget will lead to severe reductions in the number of households that we serve. Unless Congress makes significant changes prior to January 1, 2013 the PHA will need to reduce the families that it serves by as many as 300 households. Reduction in program size can be found in section 16-VIII.B. of the PHA's Section 8 Housing Choice Voucher Administrative Plan, found at the following website:

[http://cms3.tucsonaz.gov/files/hcd/2012\\_Draft\\_Admin\\_Plan\\_-\\_Section\\_8.pdf](http://cms3.tucsonaz.gov/files/hcd/2012_Draft_Admin_Plan_-_Section_8.pdf)

It states, "If the PHA determines that there is insufficient funding, HAP contracts will be cancelled as follows; 1) clients in default of a payment agreement, 2) all remaining clients on a payment agreement, 3) voucher holders not under contract and 4) clients who are receiving the highest HAP subsidy/utility reimbursement payments."

## Rent Increases

As a participating landlord on the Section 8 Program, you may request a rent increase after first term of the lease. Rent increases are not automatic and must be requested in writing. Rent increases by a landlord are typically requested after the receipt of the annual inspection notice. In order for the change to be effective at the participant's annual recertification date you must give your tenant notice of the increase at least 60 days prior to the anniversary date of the lease. The PHA must receive a copy of increase notice and before a rent increase can be approved, the PHA must determine that the rent is "reasonable". This means that the landlord's rent cannot be more than the rent charged for similar unsubsidized units in the same general area or neighborhood.



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#### **When does the abatement affect the landlord**

Abatement is an amount deducted or subtracted from the usual Housing Assistance Payment (HAP). HAP is not paid until the assisted unit is in compliance.

If it has been determined through an onsite inspection that a unit on the program fails to meet Housing Quality Standards (HQS) for items that are the owner's responsibility, the owner must complete the necessary repairs in the time period specified by the PHA. If the necessary repairs are not made within the required time period, the housing assistance payment to the owner will be abated/stopped on the first of the following month, the date mentioned on the inspection fail notice. If the owner makes repairs during the abatement period, payment will resume on the day that the unit passes inspection. No retro-active payments will be made to the owner for the period of time the rent was abated/stopped and the unit did not comply with HQS.

If the owner is responsible for repairs and fails to correct all the deficiencies cited prior to the end of abatement period, the contract between the owner and the PHA will be terminated.

#### **A new of look at RUBS**

For the purpose of calculating gross rent the PHA will count utilities that are billed in a fixed fee amount as rent. The application of RUBS will only be applied in the event that the actual billing to the client is based on the owners precise cost and is variable periodically. So, if your lease states rent is 599.00 for rent and RUBs for water and sewer is a fixed amount of \$20.00, then gross rent will be \$619.00 for the Section 8 Program.

Si desea que se le explique este documento en espanol, llame al telefono 791-4739